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October 12, 2018

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VIA ECFS

Marlene H. Dortch, Secretary Federal Communications Commission 445 12th Street, SW Washington, DC 20554

Re: Notice of Ex Parte Presentation

> WC Docket No. 18-155: In re: Updating the Intercarrier Compensation Regime to Eliminate Access Arbitrage

Dear Ms. Dortch:

On October 10, South Dakota Network, LLC ("SDN") met with Lisa Hone, Pam Arluk, Gregory Capobianco, Robin Cohn, Lynne Engledow, Victoria Goldberg, Vienna Jordan, Edward Krachmer, Al Lewis, and Gil Strobel of the Wireline Competition Bureau. Mark Shlanta and Nancy Johnson of SDN; Marlene Bennet of Consortia Consulting, Inc.; and Ben Dickens, Mary Sisak, and Sal Taillefer as counsel to SDN attended the meeting or participated via conference call on behalf of SDN. In the meeting, SDN discussed its comments filed in the above-referenced proceeding.1

In the meeting, SDN discussed the proposal to prohibit LECs engaged in access stimulation from utilizing a CEA tandem as a tandem provider. Because CEA tandem providers aggregate traffic for a number of rural LECs and charge an averaged rate, this provides an opportunity for arbitrage for providers seeking such loop holes.³ SDN also discussed the Commission's legal authority to make such a prohibition, as described in its comments.⁴

¹ Comments of South Dakota Network, WC Docket No. 18-155, filed July 20, 2018.

² *Id.* at p. 1-2.

³ *Id.* at p. 2.

⁴ *Id.* at p. 2.

Pursuant to Section 1.1206 of the Commission's rules, a copy of this letter is being filed via ECFS. If you have any questions, please do not hesitate to contact the undersigned.

Sincerely,

Benjamin H. Dickens, Jr.

Counsel to

South Dakota Network, LLC

CC: Lisa Hone

Pam Arluk

Gregory Capobianco

Robin Cohn

Lynne Engledow

Victoria Goldberg

Vienna Jordan

Edward Krachmer

Al Lewis

Gil Strobel